

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B5400276

PRINT DATE: 12/09/14

PAGE: 01

SHIP TO:

AS SPECIFIED ON INDIVIDUAL ORDERS

VENDOR ID: 1161516458
AMERICAN ROCK SALT CO LLC
PO BOX 190

MOUNT MORRIS, NY 14510
(888) 762-7258

REFER QUESTIONS TO:

CHRISTINE VASILIAU
(410) 767-4281
CHRISTINE.VASILIAU@MARYLAND.GOV

ITB: 001IT819586

EXPR DATE: 08/31/17
POST DATE: 12/09/14

DISCOUNT TERMS: . NET 30 DAY
CONTRACT AMOUNT: 1,000,000.00

TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

STATEWIDE CONTRACT FOR

ROAD SALT - DISTRICT 6

(ALLEGANY AND GARRETT COUNTIES)

THIS CONTRACT IS FOR THE SUPPLY AND DELIVERY OF BULK ROAD SALT WITHIN ALLEGANY AND GARRETT COUNTIES.

SCOPE OF CONTRACT: THE TERM OF THIS CONTRACT IS THREE (3) YEARS FROM DECEMBER 8, 2014 THROUGH AUGUST 31, 2017. THERE ARE NO RENEWAL OPTIONS FOR THIS CONTRACT.

TERMINATION FOR CONVENIENCE: THE PERFORMANCE OF WORK UNDER THIS CONTRACT MAY BE TERMINATED BY THE STATE IN ACCORDANCE WITH THIS CLAUSE IN WHOLE, OR FROM TIME TO TIME IN PART, WHENEVER THE STATE SHALL DETERMINE THAT SUCH TERMINATION IS IN THE BEST INTEREST OF THE STATE. THE STATE WILL PAY ALL REASONABLE COSTS ASSOCIATED WITH THIS CONTRACT THAT THE CONTRACTOR HAS INCURRED UP TO THE DATE OF TERMINATION AND ALL REASONABLE COSTS ASSOCIATED WITH TERMINATION OF THE CONTRACT. HOWEVER, THE CONTRACTOR SHALL NOT BE REIMBURSED FOR ANY ANTICIPATORY PROFITS THAT HAVE NOT BEEN EARNED UP TO THE DATE OF TERMINATION.

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TERMS (cont'd):

TERMINATION HEREUNDER, INCLUDING THE DETERMINATION OF THE RIGHTS AND OBLIGATIONS OF THE PARTIES, SHALL BE GOVERNED BY THE PROVISIONS OF COMAR 21.07.01.12A(2).

ANY ITEM LISTED HEREIN NOT DELIVERED IN A TIMELY MANNER OR WHICH DOES NOT CONFORM TO THE REQUIREMENTS OF THE CONTRACT, MAY BE PURCHASED ON THE OPEN MARKET BY USING AGENCIES.

DESIGNATED AGENCY & ADDITIONAL USERS CLAUSE: STATE HIGHWAY ADMINISTRATION, MARYLAND TRANSPORTATION AUTHORITY, AND OTHER MARYLAND STATE AND LOCAL DIVISIONS ARE AUTHORIZED TO PURCHASE FROM THIS CONTRACT.

PROCUREMENT OFFICER: CHRISTINE VASILIAU (410) 767-4281
CHRISTINE.VASILIAU@MARYLAND.GOV

VENDOR: AMERICAN ROCK SALT COMPANY, LLC

VENDOR FEIN: 16-1516458

VENDOR CONTACT: JAMIE MCCLAIN (585) 991-6817
JAMIE.MCCLAIN@AMERICANROCKSALT.COM

QUANTITIES: THE STATE GUARANTEES MINIMUM AND MAXIMUM QUANTITIES BE PURCHASED AS FOLLOWS:

GARRETT COUNTY - 26,600 TONS MINIMUM FOR THE PERIOD 12/8/14 TO 8/31/15	38,000 TONS MAXIMUM
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GARRETT COUNTY - 30,400 TONS MINIMUM FOR THE PERIOD 9/1/15 TO 8/31/16	45,600 TONS MAXIMUM
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GARRETT COUNTY - 30,400 TONS MINIMUM FOR THE PERIOD 9/1/16 TO 8/31/17	45,600 TONS MAXIMUM
--	---------------------

ALLEGANY COUNTY - 10,500 TONS MINIMUM FOR THE PERIOD 12/8/14 TO 8/31/15	15,000 TONS MAXIMUM
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ALLEGANY COUNTY - 12,000 TONS MINIMUM FOR THE PERIOD 9/1/15 TO 8/31/16	18,000 TONS MAXIMUM
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ALLEGANY COUNTY - 12,000 TONS MINIMUM FOR THE PERIOD 9/1/16 TO 8/31/17	18,000 TONS MAXIMUM
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DELIVERED PRICING IS BASED ON FULL TRUCKLOAD QUANTITY FOR DELIVERY, NORMALLY 22-25 TONS.

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TERMS (cont'd):

DELIVERIES ARE TO BE COMPLETED WITHIN EIGHT (8) CALENDAR DAYS AFTER RECEIPT OF ORDER.

NO FUEL PRICE ADJUSTMENT WILL BE ACCEPTED, ALL PRICING IS FIXED THROUGHOUT THE TERM OF THIS CONTRACT.

IF THE STATE OF MARYLAND IS NOT ABLE TO PURCHASE THE MINIMUM QUANTITIES REQUIRED UNDER THIS CONTRACT, VENDOR WILL STORE SALT FOR THE STATE OF MARYLAND UNTIL DECEMBER 31ST OF THAT CALENDAR YEAR (I.E. THE STATE DID NOT PURCHASE THE MINIMUM REQUIRED QUANTITY BY 8/31, VENDOR WILL STORE THROUGH 12/31). THE PRICE PER TON FOR VENDOR TO STORE SALT IS \$3.50. IF STORAGE IS NECESSARY FOR THE STATE OF MARYLAND BEYOND 12/31, VENDOR MAY OFFER STORAGE AT A PER TON PER MONTH RATE.

MATERIALS:

SODIUM CHLORIDE (ROCK OR SOLAR SALT) OFFERED IN THIS BID SHALL MEET ALL THE REQUIREMENTS OF ASTM DESIGNATION D632 (LATEST REVISION), TYPE 1, GRADE 1. THE SODIUM CHLORIDE (SOLAR OR ROCK SALT) SHALL CONTAIN A MINIMUM OF 20 PARTS PER MILLION OF SODIUM FERRO CYANIDE UNIFORMLY MIXED WITH THE SALT TO PREVENT CAKING. THE MOISTURE CONTENT OF ROCK SALT AND SOLAR SALT SHALL NOT EXCEED THREE PERCENT (3.0%) BY WEIGHT.

IN THE EVENT THAT THE MATERIAL FAILS TO MEET THE MINIMUM SPECIFICATION, THE AUTHORIZED REPRESENTATIVE RESERVES THE RIGHT TO REQUIRE THE SUPPLIER TO TAKE WHATEVER CORRECTIVE ACTION IS DEEMED NECESSARY TO BRING THE MATERIAL UP TO SPECIFICATION, OR REQUIRE THE SUPPLIER TO REMOVE AND REPLACE THAT MATERIAL WHICH FAILS TO MEET THE SPECIFICATIONS, AT THE VENDOR'S EXPENSE.

FAILURE OF THESE SAMPLES TO MEET SPECIFICATIONS MAY RESULT IN THE VENDOR BEING REQUIRED TO REMOVE THE UNACCEPTABLE MATERIAL AND REPLACING IT WITH SPECIFICATION MATERIAL, ALL AT THE VENDOR'S EXPENSE. AS AN ALTERNATIVE, SHA RESERVES THE RIGHT TO REQUIRE FULL PLANT REPRESENTATION BY PERSONNEL OF SHA'S OFFICE OF MATERIALS AND TECHNOLOGIES. IN ADDITION, SHA RESERVES THE RIGHT TO SAMPLE THE MATERIAL AS IT IS UNLOADED FROM EACH ARRIVING SHIP.

THE VENDOR SHALL BE ALLOWED TO SHIP MATERIAL BASED ON CERTIFICATION. THIS CERTIFICATION MUST INCLUDE ACTUAL TEST DATA FROM THE MANUFACTURER AND REPRESENT THE MATERIAL BEING SHIPPED. CERTIFIED TEST VALUES MUST MEET ALL REQUIREMENTS OF THIS SPECIFICATION. SHA RESERVES THE RIGHT TO, AND WILL SAMPLE SHIPMENTS AT, THE FINAL POINT OF DELIVERY FOR TESTING BY THE SHA LABORATORY.

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TERMS (cont'd):

WEIGHING:

THE VENDOR SHALL PROVIDE ACCURATE APPROVED SCALES TO BE USED FOR WEIGHING SHIPMENTS OF SODIUM CHLORIDE. THE PLATFORM OF THE TRUCK SCALES SHALL BE OF SUFFICIENT LENGTH AND WIDTH TO CONVENIENTLY ACCOMMODATE ANY TRUCKS OR COMPLETE HAULING UNITS THAT MAY BE USED TO TRANSPORT THE SODIUM CHLORIDE IN SUCH A MANNER THAT THE COMPLETE UNIT LOAD CAN BE WEIGHED AT ONE DRAFT. NO SPLIT WEIGHING WILL BE ALLOWED. ALL DELIVERIES MUST BE MADE IN BULK BY COVERED TRUCKS. A CERTIFIED WEIGHT SLIP FROM THE SUPPLIER MUST ACCOMPANY EACH TRUCK. ALL WEIGHING OPERATIONS WILL BE CONDUCTED IN ACCORDANCE WITH TC-7.01 MEASUREMENT OF QUANTITIES OF THE STANDARD SPECIFICATIONS FOR CONSTRUCTION AND MATERIALS (CURRENT EDITION). A LINK TO THIS EDITION OF THE SPECIFICATIONS BOOK IN PDF FORM IS:

[HTTP://APPS.ROADS.MARYLAND.GOV/BUSINESSWITHSHA/BIZSTDSSPECS/DESMANUALS/TDPUB/PUBLICATIONSONLINE/OHD/BOOKSTD/INDEX.ASP](http://apps.roads.maryland.gov/businesswithsha/bizstdsspecs/desmanuals/tdpub/publicationsonline/ohd/bookstd/index.asp)

CUSTOMER PICK-UP:

CUSTOMER PICKUP WILL BE AVAILABLE TO SHA DURING NORMAL WORKING HOURS (MONDAY THROUGH FRIDAY, 7:30AM - 3:30PM). DURING PERIODS OF "INVENTORY SHORTAGE" (SEE BELOW), CUSTOMER PICKUP WILL BE AVAILABLE TO SHA 24 HOURS PER DAY, 7 DAYS PER WEEK. PICKUP WILL BE MADE BY SHA AND/OR SHA-CONTRACTED VEHICLES. THE COST TO SHA FOR "CUSTOMER PICKUP SALT" WILL REFLECT THE UNIT PRICE BID FOR SALT MINUS ITS TRANSPORTATION COST COMPONENT.

DELIVERY REQUIREMENTS - NORMAL PRIORITY:

SHA HAS IDENTIFIED ON SECTION "A" SALT STRUCTURES THAT ARE NORMAL PRIORITY FOR DELIVERIES DURING THE COURSE OF THIS CONTRACT. DELIVERIES WILL BE MADE ONLY DURING NORMAL WORKING HOURS (MONDAY - FRIDAY, 7:30AM-3:30PM), UNLESS THE SUPPLIER MAKES ARRANGEMENTS IN ADVANCE OF ANTICIPATED DELIVERY DURING NON-WORK HOURS. SHA WILL CONSIDER EXTENDED DELIVERY HOURS, OVERNIGHT IF NEEDED, PROVIDED THE VENDOR COMMITS TO A VERY HIGH TONNAGE TO SPECIFIC SALT STRUCTURES. THE VENDOR MUST CONTACT AN SHA REPRESENTATIVE WITH THE START TIME OF DELIVERY, NUMBER OF TRUCKS, AND ANTICIPATED TONNAGE. IN ADDITION, THE LAST LOAD MUST BE IDENTIFIED. THE VENDOR SHALL GIVE THE SHOP 24 HOURS' NOTICE PRIOR TO BEGINNING ITS SHIPMENTS.

ONCE A VENDOR COMMITS TO HAULING TO A LOCATION, HE OR SHE SHALL DELIVER A MINIMUM OF 200 TONS TO THE SITE PER DAY. THE MINIMUM 200 TONS OF SALT DOES NOT HAVE TO BE ON CONTINUOUS DAYS. THE 200 TON MINIMUM DELIVERY WILL NOT APPLY WHEN THE REMAINING UNSHIPED MATERIAL IS LESS THAN 200 TONS, HOWEVER, THE REMAINING BALANCE SHALL BE SHIPPED IN ONE DAY. THE INTENT OF THE MINIMUM DELIVERY IS TO ALLOW SHA RECEIVING PERSONNEL TO BE SCHEDULED EFFICIENTLY.

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TERMS (cont'd):

DELIVERIES ARE TO BE COMPLETED WITHIN EIGHT (8) CALENDAR DAYS AFTER THE SUPPLIER RECEIVES AN ORDER, ORALLY OR IN WRITING, FROM THE USING ENTITY.

IF IT BECOMES APPARENT TO THE VENDOR THAT IT CANNOT MEET A DELIVERY SCHEDULE, THE VENDOR SHALL NOTIFY THE SHA MAINTENANCE SHOP(S) IT SERVICES. IF THE VENDOR CANNOT MEET THE DELIVERY SCHEDULE ON A REGIONAL OR STATEWIDE BASIS, IT SHALL CONTACT THE CHIEF OF THE HIGHWAY MAINTENANCE DIVISION, (410-582-5565), OR HIS DESIGNEE.

SHA WILL MAKE EVERY EFFORT TO MAINTAIN ADEQUATE INVENTORY LEVELS THROUGHOUT THE WINTER. IT IS IMPERATIVE THAT THE VENDOR AND SHA WORK TOGETHER TO MEET SHA'S DELIVERY REQUIREMENTS DURING PERIODS OF MINIMAL WINTER STORM ACTIVITY IN ORDER TO MINIMIZE THE OCCURRENCE OF SALT SHORTAGE DURING PERIODS OF BACK-TO-BACK STORMS.

DELIVERY REQUIREMENTS - HIGH PRIORITY:

SHA HAS IDENTIFIED ON ATTACHMENT "A" SALT STRUCTURES THAT ARE A HIGH PRIORITY FOR DELIVERIES DURING THE COURSE OF THIS CONTRACT. THE TERMS AND CONDITIONS FOR HIGH PRIORITY WILL BE IDENTICAL TO NORMAL DELIVERY EXCEPT FOR THE FOLLOWING:

DELIVERY TO HIGH PRIORITY SALT STRUCTURES WILL BE COMPLETED WITHIN EIGHT (8) CALENDAR DAYS AFTER THE SUPPLIER RECEIVES AN ORDER, ORALLY OR IN WRITING, FROM THE USING AUTHORITY.

SPECIAL DELIVERY REQUIREMENTS - INVENTORY SHORTAGE:

SPECIAL NOTE: IF SHA INITIATES INVENTORY SHORTAGE; IT WILL ONLY REDIRECT ITS OWN INTERNAL SALT ORDERS. SALT VENDORS SHALL CONTINUE TO FULFILL ORDERS MADE BY OTHER NON-SHA SALT USING ENTITIES.

SHA WILL MAKE EVERY EFFORT TO KEEP THE INVENTORY IN ITS SALT STRUCTURES AT A VERY HIGH LEVEL THROUGHOUT WINTER. IF SEVERE WINTER STORMS, AND SHA'S SUBSEQUENT SALT USAGE, CAUSE ITS INVENTORY TO REACH LOW LEVELS, IT WILL MAKE VENDORS AWARE OF ITS INVENTORY SHORTAGE. INVENTORY SHORTAGE WILL BE DEFINED AS SHA STORAGE STRUCTURE INVENTORIES REACHING A LEVEL WHERE THE ADMINISTRATION IS IN DANGER OF NOT BEING ABLE TO SERVICE THE LANE MILES MAINTAINED BY THE FACILITIES IN LIGHT OF FORECASTED STORMS. THE VENDOR WILL BE NOTIFIED IF AND WHEN THIS SITUATION OCCURS.

DURING PERIODS OF INVENTORY SHORTAGE, THE CHIEF OF SHA'S HIGHWAY MAINTENANCE DIVISION OR DESIGNEE WILL ACT AS THE SHA CENTRAL CONTACT

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TERMS (cont'd):

TO PRIORITIZE THE DELIVERY SCHEDULE STATEWIDE AND MAY REDIRECT THE DELIVERIES TO SALT STORAGE SITES IN NEED. IN ADDITION, THE VENDOR SHALL HAVE A REPRESENTATIVE AVAILABLE 24 HOURS PER DAY, SEVEN (7) DAYS PER WEEK TO COORDINATE DELIVERIES TO MEET CRITICAL SHA NEEDS. THE VENDOR SHALL PROVIDE THE CHIEF OF SHA'S HIGHWAY MAINTENANCE DIVISION OR DESIGNEE WITH THE NAME OF THE REPRESENTATIVE AND HIS OR HER PHONE NUMBERS.

DURING PERIODS OF INVENTORY SHORTAGE, THE CHIEF OF SHA'S HIGHWAY MAINTENANCE DIVISION OR DESIGNEE WILL COORDINATE WITH THE VENDOR TO IDENTIFY A LIST OF HAUL SITES, APPROXIMATE STARTING TIME OF DELIVERY FOR THE SITES, NUMBER OF TRUCKS MAKING DELIVERIES AND THE ANTICIPATED TONNAGE FOR THE SITES. THE LAST LOAD DELIVERED TO EACH SITE MUST BE IDENTIFIED BY THE VENDOR.

ADDITIONAL DELIVERY REQUIREMENTS:

ALL SALT MUST BE PROTECTED IN TRANSIT BY WATERPROOF COVERING. DELIVERY MUST BE MADE BY TRUCKS THAT HAVE UNDERGONE A THOROUGH CLEANING OF THE TRUCK BED FOR THE PURPOSE OF ASSURING THAT THE SODIUM CHLORIDE IS NOT CONTAMINATED BY FOREIGN MATERIAL SUCH AS CONCRETE, AGGREGATES, ASPHALT, SOIL, ETC. IN THE EVENT THE AUTHORIZED REPRESENTATIVE, AT THE DELIVERY POINT, DETERMINES THAT A LOAD OF SALT IS CONTAMINATED, THE SHIPMENT WILL BE REJECTED.

IF A SHIPMENT IS REJECTED DUE TO CONTAMINATION OR IF IT'S REJECTED BECAUSE IT DOESN'T MEET OTHER SPECIFICATIONS, THE SALT WILL NOT BE PLACED IN A SALT STRUCTURE BUT WILL BE ISOLATED AND COVERED. SHA WILL CONTACT THE VENDOR ABOUT THE UNACCEPTABLE SALT. THE VENDOR WILL PICK UP THE LOAD WITHIN 48 HOURS OF SAID NOTIFICATION.

ALL DELIVERIES WILL BE SUBJECT TO RANDOM WEIGHT VERIFICATION BY THE MARYLAND STATE POLICE AT THE DELIVERY SITES. ALL DELIVERIES FOUND TO BE ABOVE GVW LIMITATIONS WILL BE SUBJECT TO APPROPRIATE ENFORCEMENT ACTION BY THE MARYLAND STATE POLICE. ADJUSTMENTS WILL BE MADE ON ANY INVOICES WHERE DELIVERIES ARE FOUND TO BE SHORT-LOADED.

ALL DELIVERIES MUST BE RECEIVED BY AN AUTHORIZED SHOP REPRESENTATIVE WHO WILL SIGN A DELIVERY RECEIPT CERTIFYING RECEIPT OF THE MATERIAL. NO PAYMENT WILL BE MADE UNLESS A DELIVERY TICKET IS SIGNED BY AN AUTHORIZED SHOP REPRESENTATIVE. THE VENDOR WILL COORDINATE ALL DELIVERIES WITH THE RESIDENT MAINTENANCE ENGINEER OR REPRESENTATIVE.

INVENTORY STATUS AND DELIVERY REPORTS:

THE VENDOR SHALL DELIVER TO THE CHIEF OF THE HIGHWAY MAINTENANCE DIVISION OR DESIGNEE A WEEKLY REPORT ON THE STATUS OF ITS INVENTORY INCLUDING ANTICIPATED SHIPMENTS BY RAIL AND BY SEA. THE REPORT MUST

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TERMS (cont'd):

BE SENT BY E-MAIL TO CROBINSON@SHA.STATE.MD.US AND MLIPNICK@SHA.STATE.MD.US. THE REPORT SHALL MAKE SHA AWARE OF ANY POTENTIAL DELIVERY PROBLEMS DUE TO MINE CLOSURES, STRIKES, ACCIDENTS OR NATURAL DISASTERS, OR SHIPPING DELAYS BY RAIL OR SEA. ALL INFORMATION SUPPLIED TO SHA IN THE WEEKLY INVENTORY STATUS REPORT WILL REMAIN CONFIDENTIAL.

IN ADDITION, VENDORS SHALL EMAIL A DAILY DELIVERY REPORT DETAILING ALL OF THE VENDOR'S DELIVERIES TO SHA FACILITIES DURING THE PREVIOUS DAY. THE DAILY REPORT SHALL INCLUDE THE LOCATION OF DELIVERIES, SHA PURCHASE ORDER NUMBER, PURCHASE ORDER DATE, TONS ORDERED, AMOUNT DELIVERED, TONS REMAINING ON THE PURCHASE ORDER, AND THE ANTICIPATED COMPLETION DATE. ALL INFORMATION SUPPLIED TO SHA IN THIS REPORT WILL REMAIN CONFIDENTIAL.

VENDOR SALT HAULERS:

EACH OF THE VENDOR'S SALT HAULERS ASSIGNED TO A PARTICULAR SHOP MUST BE AVAILABLE TO DELIVER SALT TO ANY SHA SALT STORAGE FACILITY WITHIN THE SHOP'S AREA OF RESPONSIBILITY. SEE THE INFORMATION PROVIDED AT THE END OF THIS SECTION FOR A LISTING OF SALT FACILITIES AND THE SHOPS THAT MANAGE THEM. THE VENDOR SHALL PROVIDE SHA WITH A LIST OF HAULERS, MONTHLY, THAT WILL BE USED TO SHIP MATERIAL TO SHA FACILITIES. THE HAULER LIST WILL BE E-MAILED TO COLLEEN ROBINSON AND MARC LIPNICK AT CROBINSON@SHA.STATE.MD.US AND MLIPNICK@SHA.STATE.MD.US, RESPECTIVELY ON THE FIRST OF EACH MONTH BEGINNING IN NOVEMBER. SHA WILL REVIEW THE LIST TO DETERMINE IF ANY OF THE SALT HAULERS ARE UNDER CONTRACT WITH SHA FOR ITS SNOW AND ICE CONTROL OPERATIONS. SHA WILL MAKE THE VENDOR AWARE OF ANY POTENTIAL CONFLICTS.

USAGE REPORT:

A REPORT SHALL BE FURNISHED BY THE SUCCESSFUL CONTRACTOR EVERY HUNDRED-TWENTY (120) DAYS DETAILING THE PURCHASE OF ALL ITEMS ON THE CONTRACT. THE REPORT SHALL BE SUBMITTED ELECTRONICALLY IN EXCEL FORMAT. AT A MINIMUM, THE REPORT SHALL REFLECT THE CONTRACT NUMBER, CONTRACT ITEM NUMBER AND DESCRIPTION, THE DOLLAR VOLUME PURCHASED OF EACH ITEM, AGENCY IDENTIFICATION, AND THE CONTRACT TOTAL. THE REPORT SHALL BE FILED WITHIN THIRTY (30) DAYS AFTER THE END OF EACH REPORTING PERIOD. ANY EXCEPTION TO THIS MANDATORY REQUIREMENT MAY RESULT IN CANCELLATION OF THE AWARD. FAILURE TO PROVIDE THE REQUIRED INFORMATION MAY ALSO NEGATE ANY CONTRACT EXTENSION CLAUSES. REPORT SHALL BE EMAILED TO THE PROCUREMENT OFFICER, CHRISTINE VASILIAU AT CHRISTINE.VASILIAU@MARYLAND.GOV .

RETURNED GOODS:

CONTRACTOR(S) SHALL BE ENTITLED TO RECOVER REASONABLE COMPENSATION FOR ANY AND ALL GOODS SHIPPED IN ACCORDANCE WITH AUTHORIZED AGENCY ORDERS,

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MEETING ALL CONTRACT REQUIREMENTS, AND RETURNED BY THE AGENCY FOR REASONS OTHER THAN THE CONTRACTOR'S FAILURE TO MEET CONTRACT REQUIREMENTS. COMPENSATION SHALL BE LIMITED TO ACTUAL UNREIMBURSED COSTS INCURRED BY THE CONTRACTOR INCLUDING, BUT NOT LIMITED TO, RESTOCKING CHARGES, SHIPPING CHARGES, PLUS REASONABLE PROFIT. CONTRACTOR MUST PROVIDE WRITTEN PROOF OF CLAIMED COMPENSATION. A RETURN OF GOODS COVERED BY THIS SECTION SHALL BE DEEMED A PARTIAL TERMINATION FOR CONVENIENCE AS TO THE RETURNED GOODS, AND OTHER CONTRACT PROVISIONS AND PRINCIPLES APPLICABLE TO A PARTIAL TERMINATION FOR CONVENIENCE SHALL APPLY.

PURCHASES BY OTHER ENTITIES - INDEFINITE QUANTITY CONTRACTS:
THIS PROVISION APPLIES TO INDEFINITE QUANTITY CONTRACTS.

PURSUANT TO ARTICLE 41, SECTION 18-201 OF THE ANNOTATED CODE OF MARYLAND, EXCEPT AS PROVIDED IN (B) THE FOLLOWING ENTITIES MAY PURCHASE MATERIALS, SUPPLIES, AND EQUIPMENT UNDER THIS CONTRACT:

- (1) A COUNTY OR BALTIMORE CITY;
 - (2) A MUNICIPAL CORPORATION;
 - (3) A GOVERNMENTAL AGENCY IN THE STATE;
 - (4) A PUBLIC OR QUASI-PUBLIC AGENCY THAT:
 - (I) RECEIVES STATE MONEY; AND
 - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE;
 - (5) A PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT:
 - (I) EITHER HAS BEEN ISSUED A CERTIFICATE OF APPROVAL FROM THE STATE BOARD OF EDUCATION OR IS ACCREDITED BY THE ASSOCIATION OF INDEPENDENT SCHOOLS; AND
 - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE; OR
 - (6) A NON-PUBLIC INSTITUTION OF HIGHER EDUCATION UNDER SECTION 17-106 OF THE EDUCATION ARTICLE.
- (B) A PRIVATE ELEMENTARY OR SECONDARY SCHOOL OR A NONPUBLIC INSTITUTION OF HIGHER EDUCATION MAY NOT PURCHASE RELIGIOUS MATERIALS UNDER THIS CONTRACT.

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C. THE RIGHT TO PURCHASE UNDER THIS SECTION SHALL BE IN ADDITION TO, BUT NOT IN SUBSTITUTION FOR, THE APPLICABLE PURCHASING POWER GRANTED TO ANY OF THE LISTED ENTITIES PURSUANT TO ANY STATUTORY OR CHARTER PROVISION.

D. ALL PURCHASES UNDER THIS CONTRACT BY ANY SUCH ENTITY WHICH IS NOT A UNIT OR AGENCY OF THE STATE OF MARYLAND FOR WHICH THE STATE OF MARYLAND MAY BE HELD LIABLE IN CONTRACT (1) SHALL CONSTITUTE A PURCHASE OR CONTRACT BETWEEN THE CONTRACTOR AND THAT ENTITY ONLY; (2) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT OF THE STATE OF MARYLAND; (3) SHALL NOT BE BINDING OR ENFORCEABLE AGAINST THE STATE OF MARYLAND OR ANY OF ITS UNITS OR AGENCIES; AND MAY BE SUBJECT TO OTHER TERMS AND CONDITIONS AGREED TO BY THE CONTRACTOR AND THE PURCHASER.

CONTRACTOR BEARS THE RISK OF DETERMINING WHETHER OR NOT ANY ENTITY FROM WHICH THE CONTRACTOR RECEIVES AN ORDER UNDER THE CONTRACT IS A UNIT OR AGENCY OF THE STATE OF MARYLAND SUCH THAT THE CONTRACT MAY BE ENFORCED AGAINST THE STATE OF MARYLAND.

OPEN MARKET CLAUSE: THE USING AUTHORITIES MAY PURCHASE ON THE OPEN MARKET THE PRODUCTS LISTED IN THE CASE OF VENDOR FAILURE TO PROVIDE THE COMMODITY IN THE TIME FRAME PRESCRIBED IN THE CONTRACT. VENDOR WILL BE RESPONSIBLE FOR COST DIFFERENCE BETWEEN CONTRACT PRICING AND OPEN MARKET PURCHASE.

CONTRACT ACCEPTANCE: THE BLANKET PURCHASE ORDER (BPO) ISSUED AS A RESULT OF THE NEGOTIATION OF AWARD AFTER UNSUCCESSFUL COMPETITIVE SEALED BID (ITB), #001IT819586, AND ANY SUBSEQUENT AMENDMENTS, MODIFICATION OR OPTIONS ISSUED RELEVANT TO THE ITB OR BPO, SHALL COMPLY WITH ALL OF THE TERMS, CONDITIONS, AND SPECIFICATIONS ISSUED WITH THE ITB AND ARE INCORPORATED HEREIN AND MADE A PART OF THE BPO.

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<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>
0001	77545-750103	TN	113.1800

SODIUM CHLORIDE BULK ROAD SALT (ROCK OR SOLAR SALT) HIGHWAY DEICING - GARRETT COUNTY

SALT COST PER TON: \$68.50

TRANSPORTATION COST PER TON: \$45.08

UNIT COST SALT DELIVERED PER TON: \$113.58

0002	77545-750102	TN	123.5800
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SODIUM CHLORIDE, NATURAL DEPOSIT - HIGHWAY DEICING (ALLEGANY COUNTY)

SODIUM CHLORIDE BULK ROAD SALT (ROCK OR SOLAR SALT) HIGHWAY DEICING - ALLEGANY COUNTY

SALT COST PER TON: \$68.50

TRANSPORTATION COST PER TON: \$54.68

UNIT COST SALT DELIVERED PER TON: \$123.18

END OF ITEM LIST

***** LAST PAGE *****

AUTHORIZED BY: _____


BUYER AUTHORIZED DESIGNEE

DATE: _____

12/9/14